

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1192.  
FILED, OCTOBER 29th, 1964.

ATLANTIC COAST COPPER CORPORATION LIMITED

Full corporate name of Company  
Incorporated Under Part IV of The Corporations Act, 1953, (Ontario)  
by Letters Patent dated May 15, 1956 - Supplementary Letters Patent dated July 13, 1964.  
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953  
(Ontario) by Letters Patent dated May 1st, 1957).  
Reference is made to previous  
Filing Statement No. 1140.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	ATLANTIC COAST COPPER CORPORATION LIMITED, hereinafter referred to as the "Company", proposes to sell, by firm commitment, 200,000 shares of the capital stock of the Company at the price of \$1.00 per share, and to grant an Option on an additional 800,000 shares of the Company in four instalments of 200,000 shares each.
2. Head office address and any other office address.	Head Office: Suite 900 Victoria Building, 140 Wellington Street, Ottawa 4, Ontario. Mine Office: Little Bay, Newfoundland.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and Director - J. Barry O'Brien, 186 Acacia Ave., Rockcliffe Park, Ottawa 2, Ontario - Mining Executive. Vice President and Director - M. J. Boylen, 35 Kingsway Crescent, Toronto 18, Ontario - Prospector and Mining Executive. Director - Robert J. Isaacs, 419 The Kingsway, Islington, Ontario - Mining Engineer. Director - B. A. O'Brien, 334 Acacia Avenue, Rockcliffe Park, Ottawa 2, Ontario - Executive. Director - Gordon F. Pushie, 173 Elizabeth Avenue, St. John's, Newfoundland - Industrial Consultant. General Manager - Leslie G. Hudson, 927 Mountainview Avenue, Ottawa, Ontario. Mine Manager - Basil L. Jackson, Little Bay, Newfoundland. Secretary-Treasurer - R. Ferrier Burns, 28 Birch Ave., Rockcliffe Park, Ottawa 7, Ontario. Assistant Secretary-Treasurer - E. J. Turnbull, 461 Wellesley Avenue, Ottawa 13, Ontario.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized Capital: 5,000,000 shares without par value. Issued and Outstanding: 3,500,000 shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	\$2,000,000 principal amount of 6½% s.f. debts, dated July 4, 1960 and maturing July 4, 1970, of which \$1,500,000 are outstanding as of this date. The Company has created a 1st mtge. and fl. charge on all its property in favour of the Govt. of Newfoundland as security for the giving of a guarantee in respect of the above.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Pursuant to Agreement dated October 14, 1964, Houston & Co., on behalf of Kent Line, Limited and Lanson Holdings Limited (the "clients"), each as to a one-half interest, has agreed with the Company to subscribe for and purchase from treasury 200,000 shares in the capital of the Company at the price of \$1.00 per share, payable fully to the Company on the date upon which the Company receives a letter from The Toronto Stock Exchange advising that notice relative thereto has been accepted for filing, and herein-after referred to as the effective date; and, in consideration for the said commitment and subject to the same being made, the Company has agreed to grant unto Houston & Co., acting for its clients, the exclusive right and option to purchase all or any part of an additional 800,000 shares of the Company from treasury, in four instalments of 200,000 shares each at the prices of \$1.00 per share, \$1.25 per share, \$1.50 per share and \$1.75 per share respectively, exercisable in whole or in part over a period of twelve months from the effective date.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Lanson Holdings Limited, a private company, wholly owned by Mr. M. J. Boylen, with its offices at Suite 903, 330 Bay Street, Toronto, Ontario, will have a fifty percentum interest in the shares of the Company to be underwritten and optioned. K. C. Irving, of St. John, New Brunswick, is the only person holding a greater than 5% interest in Kent Line, Limited; and Kent Line, Limited will have the remaining fifty percentum interest in the shares of the Company to be underwritten and optioned. No assignment of the said shares to be underwritten and optioned is proposed or contemplated at this time.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	No cash or securities of the Company will be paid to a promoter or finder in connection with the proposed underwriting.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The shaft will be deepened to the 2,125 foot horizon, new levels established to the 1,800 foot depth, the loading pocket excavated below the 1,800 foot level, ore passes driven to connect with the levels above and the orebody prepared for stoping from these new levels. A new 90 foot headframe and a larger hoist with other ancillary equipment will also be installed.  Monies arising from the sale of the treasury shares of the Company will be used to purchase a new headframe, larger hoist and ancillary equipment, further development and, if available, reduction of the Company's indebtedness to the bank.



# FINANCIAL STATEMENTS

## FINANCIAL STATEMENTS

ATLANTIC COAST COPPER CORPORATION LIMITED  
BALANCE SHEET AS AT 30TH SEPTEMBER 1964

### ASSETS

#### CURRENT ASSETS

Cash  
Smelter settlements - estimated  
Accounts receivable

#### SUNDRY ASSETS

Materials and supplies at cost  
Prepaid expenses

#### FIXED ASSETS

Plant and equipment at cost  
Accumulated depreciation

Mining property - at value ascribed to  
1,000,000 shares issued as consideration  
for the property with subsequent additions  
at cost

#### DEFERRED EXPENDITURES

Preproduction expense, less amortization  
Organization  
Debtore discount and expense, less amortization  
Outside exploration  
Deferred development, less amortization

### LIABILITIES

#### CURRENT LIABILITIES

Bank advances  
Accounts payable and accrued expenses  
Demand loan from a shareholder<sup>x</sup>  
Sundry taxes  
Sinking fund instalment due within one year

#### DEFERRED LIABILITIES

Loan from a shareholder<sup>x</sup>  
- 5% due 1st June 1968  
Sinking fund debentures - 6½%  
- due 4th July 1970  
Less: Sinking fund instalment  
included in current liabilities

#### SHAREHOLDER'S EQUITY

Capital stock -  
Authorized -  
5,000,000 shares without par value  
Issued and fully paid -  
3,500,000 shares  
Deficit

Signed on behalf of the Board

J. Barry O'Brien  
Directors

*B. A. O'Brien*  
B. A. O'Brien

\$1,035,692  
148,634  
100,000  
805  
200,000  
1,485,131

237,498

\$1,500,000  
200,000  
1,300,000  
1,527,428

2,440,000  
1,519,347  
920,653

\$3,943,282



ATLANTIC COAST COPPER CORPORATION LIMITED

(a) Schedule of Changes in Working Capital

	31st May 1964	30th Sept. 1964
<u>Current Assets</u>		
Cash	5,960	4,393
Smelter settlements - estimated	410,213	571,186
Accounts receivable	6,166	4,531
Mining tax recoverable	1,447	--
	<u>423,786</u>	<u>580,110</u>
Increase in Current Assets		156,324
<u>Current Liabilities</u>		
Bank advances	774,345	1,035,692
Accounts payable and accrued expenses	167,380	148,634
Demand loan from a shareholder	100,000	100,000
Sundry taxes	1,414	805
Sinking fund instalment due within one year	200,000	200,000
	<u>1,243,139</u>	<u>1,485,131</u>
Increase in Current Liabilities		<u>241,992</u>
Decrease in Working Capital as at 30 Sept. 1964		<u>\$85,668</u>

(b) Statement of Source and Application of Funds for the Period  
1st June to 30th September 1964

Funds provided

From sale of 237,498 shares of capital stock 237,498

Funds applied

For operations

Net loss for the period	323,174
Less: non-cash items	
Debenture discount	5,309
Depreciation	67,635
Deferred development written off	23,630
Preproduction written off	100,994
Reduction in value of supplies	4,720
Reduction in prepaid items	18,696
	<u>220,984</u>
	102,190

For retirement of debt

Sinking fund instalment due 4th July  
1965 transferred to current liabilities 200,000  
(See note)

For capital expenditures

Plant and equipment	1,874		
Deferred development	19,102	20,976	323,166
Decrease in working capital as at 30th September 1964			\$ 85,668

Note: The Sinking Fund instalment shown as due within one year as at 31st May 1964 was paid on its due date 4th July 1964.

J. Barry O'Brien

Directors

B. A. O'Brien



10. Brief statement of company's chief development work during past year.	The main shaft was rehabilitated and deepened from 1,340 feet to the 1,523 foot depth. A loading pocket was established at a depth of 1,460 feet and connected to the 1,150 and 1,350 foot levels by ore passes. The 1,150 foot main haulage drift was driven another 425 feet and this level was prepared for stoping with x-cuts and draw points at 25 foot intervals for the 550 foot length of the ore zone. The 1,350 foot level was opened by a footwall drive for a distance of 750 feet and a 300 foot x-cut was driven north from this level in order to test the ore zones by diamond drilling to the 1,550 foot and 1,750 foot horizons.	
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable.	
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.	
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	No shares of the Company are held in pool or in escrow.	
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.	
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	O'Brien Gold Mines, Limited	1,275,000 shares
	140 Wellington Street, Ottawa 4, Ontario.	
	Combined Metal Mines Limited, Room 908, 330 Bay Street, Toronto, Ontario.	499,961 shares
	*G. W. Nicholson & Company Limited 67 Richmond Street West, Toronto, Ontario.	327,798 shares
	Lanson Holdings Limited, Room 908, 330 Bay Street, Toronto, Ontario.	138,464 shares
	K. C. Irving Limited, Post Office Box 1421, St. John, New Brunswick.	100,000 shares
	*The beneficial owners not known.	
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	O'Brien Gold Mines Limited is in a position to materially effect control of the Company, provided it is able to obtain proxies from the larger shareholders referred to in item 15 hereof.	
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	The Company does not include investments in the shares or other securities of other companies in its assets.	
18. Brief statement of any lawsuits pending or in process against company or its properties.	There are no law suits pending or in process against the Company or its properties.	
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	There are no other material contracts entered into by the Company in effect at this time.	
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts.	
	The treasury shares of the Company, the subject matter of the proposed underwriting agreement referred to in item 6 hereof, when allotted and issued will be in the course of primary distribution to the public.	

**CERTIFICATE OF THE COMPANY**

DATED 21st October 1964

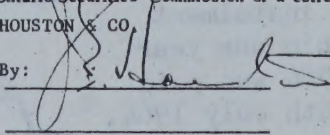
The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

ATLANTIC COAST COPPER CORPORATION LIMITED  
CORPORATE SEAL  
J. Barry O'Brien - President

**CERTIFICATE OF UNDERWRITER OR OPTIONEE**

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

HOUSTON & CO.

"J.E. Houston" By: 



# THE TORONTO STOCK EXCHANGE

15/5/69

FILING STATEMENT NO. 1689.

FILED, JUNE 3rd, 1969.

## ATLANTIC COAST COPPER CORPORATION LIMITED

Full corporate name of Company

Incorporated under Part IV of The Corporations Act, 1953  
(Ontario) by Letters Patent dated May 15th, 1956

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953  
(Ontario) by Letters Patent dated May 1st, 1957).

### FILING STATEMENT

Reference is made to previous  
Filing Statement No. 1192.

(To be filed with respect to any material change in a company's affairs, including among other things,  
an underwriting and option agreement an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	This filing statement is filed pursuant to Ruling No. 49 of the Toronto Stock Exchange in respect of a change in the registered share ownership of the Company which is sufficient to materially affect control. Under agreement made the 3rd day of May, 1969, O'Brien Gold Mines Limited (no personal liability) agreed to sell to Kent Line Limited to close May 20, 1969, 1,277,005 shares of the Company at 65¢ per share being all of the shares of the Company beneficially owned by O'Brien. The Board of Directors of the Company has changed. See item 3.
2. Head office address and any other office address.	At the date of submission of this filing statement: 7th Floor, 335 Bay Street, Toronto 105, Ontario. From May 20, 1969, c/o Messrs. McCarthy and McCarthy, Box 48, Toronto-Dominion Centre, Toronto 105, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	At the date of submission of this filing statement, as set out in Schedule A on page 3. As at May 20, 1969, as set out in Schedule B on page 4.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized - 5,000,000 shares Issued and Outstanding - 4,300,000 shares
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Province of Newfoundland holds a first mortgage on all real and immovable property. The obligation in respect of which this mortgage was given has been fully discharged and the Company is awaiting a discharge of the said first mortgage from the Province of Newfoundland.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	NIL
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	NIL
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	NIL



9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	At the date hereof, the Company has no plans for future development except such work as may be required to recover the remaining ore.  See Schedule "C" on page 5.
10. Brief statement of company's chief development work during past year.	In the last twelve months the only development work done by the Company has been on its mine property in Newfoundland. A number of diamond drill holes were completed to try to extend the known ore bodies or to locate other mineralized zones. Underground development work was done in the north zone and to a lesser extent in the main zone to prepare for the extraction of existing ore resources.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	NIL
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	NIL
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	NIL
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	NIL
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>As of May 8, 1969:</p> <ol style="list-style-type: none"> <li>1. Bansco &amp; Co. 44 King Street West Toronto, Ontario 1,277,000 shares</li> <li>2. K.C. Irving Limited P.O. Box 1421 Saint John, New Brunswick 550,000 shares</li> <li>3. Combined Metal Mines Limited Room 908 330 Bay Street Toronto, Ontario 500,000 shares</li> <li>4. Houston &amp; Co. 355 Bay Street Toronto, Ontario 111,317 shares</li> <li>5. J.D. Irving Limited P.O. Box 1421 Saint John, New Brunswick 100,000 shares</li> <li>6. Kent Line Limited P.O. Box 1421 Saint John, New Brunswick 100,000 shares</li> </ol> <p>NOTE: Of the shares held by Bansco &amp; Co., 1,276,900 are beneficially owned by O'Brien Gold Mines Limited (no personal liability) and are the subject of the agreement referred to in item 1 hereof. K.C. Irving Limited, J.D. Irving Limited, Kent Line Limited and Combined Metal Mines Limited are the beneficial owners of the shares shown to be registered in their names respectively. The Company does not have knowledge as to beneficial owners of the other shares.</p>



# SCHEDULE A

<u>Name</u>	<u>Address</u>	<u>Chief Occupation</u>
Peter White, Q.C. President & Director	174 Balmoral Ave. Toronto, Ontario	Partner, law firm of Messrs. White, Bristol, Beck & Phipps, 335 Bay Street, Toronto 105, Ont.
Fred J. Garbutt Vice-President & Director	242 Hanna Road Toronto, Ontario	Mining Engineer, for more than the last five years a director and officer of Cremac Surveys Co. Limited, 11 Adelaide Street West, Toronto, Ont.
Major Arnold H. Smedmor Assistant Secretary, Assistant Treasurer & Director	15 Gaspé Road Willowdale, Ont.	Since July, 1964, Insurance Adjuster, Harold A. Shearer & Associates, 68 Yonge Street, Toronto, Ont. and prior to that time, Senior Instructor, Ontario Police College (Attorney-General's Department)
Gordon F. Pushie Director	2 Strawberry Marsh Road St. John's, Nfld.	Industrial Consultant
Donald A. Macfarlane Director	114 Park Drive Torryburn P.O. New Brunswick	Executive Assistant
Ronald W. Chisholm Secretary & Treasurer	24 Longwood Drive Don Mills, Ontario	Since January 1, 1966, partner, law firm of Messrs. White, Bristol, Beck & Phipps, 335 Bay Street, Toronto 105, Ont. and prior to that time, solicitor with the afore- said firm.



SCHEDULE B

<u>Name</u>	<u>Address</u>	<u>Chief Occupation</u>
L.F. Daley, Q.C. President & Director	13 Bloomingdale Terrace Halifax, N.S.	Partner, law firm of Messrs. Daley, Black, Moreira and Piercey, 1646 Barrington Street, Halifax, N.S.
Donald A. Macfarlane Vice-President, Treasurer & Director	114 Park Drive Torryburn P.O. New Brunswick	Executive Assistant
W.D. Macaulay Secretary & Director	55 Mt. Pleasant Saint John, N.B.	Partner, law firm of Messrs. McKelvey, Macaulay, Machum & Fairweather, 44 Prince Street, Saint John, New Brunswick
Fred J. Garbutt Director	242 Hanna Road Toronto, Ontario	Mining Engineer, for more than the last five years a director and officer of Cremac Surveys Co. Limited, 11 Adelaide Street West, Toronto, Ont.
Gordon F. Pushie Director	2 Strawberry Marsh Road St. John's, Nfld.	Industrial Consultant
D.H. Gordon Assistant Secretary	221 Russell Hill Rd. Apartment 302 Toronto, Ontario	Since February, 1968, solicitor with the law firm of Messrs. McCarthy & McCarthy, Box 48, Toronto-Dominion Centre, Toronto, Ontario, and prior to that, a student-at-law.
Mary G. Peabody Assistant Secretary	85 Prince Edward St. Saint John, N.B.	Secretary



PLEASE ADDRESS ALL COMMUNICATIONS TO THE COMPANY

## KENT LINE LIMITED

*Motor Vessel Owners*  
P. O. Box 725

Telephone 693-1465

SAINT JOHN, N. B.  
CANADA

May 26, 1969

The Toronto Stock Exchange  
234 Bay Street  
Toronto, Ontario

Dear Sirs:

Re: Atlantic Coast Copper Corporation Limited

In connection with a filing statement of the above Company currently under consideration by you, we have been asked to confirm that the reply to Item Number Nine, is correct, namely, that the Company has no plans for future development except such work as is necessary to recover the available ore.

We are pleased to confirm this.

Yours truly,

KENT LINE LIMITED

(*lis*) *L. J. Johnston*  
Secretary

WJ:ps



# FINANCIAL STATEMENTS

## ATLANTIC COAST COPPER CORPORATION LIMITED

BALANCE SHEET AS AT MARCH 31, 1969

### ASSETS

#### CURRENT ASSETS

Cash	\$	122,415	
Short-term deposits and accrued interest		200,805	
Net estimated amount receivable from sale of mineral concentrates and settlements (note 1)		2,576,790	
Accounts receivable		9,656	
Prepaid expenses		26,131	
Special refundable tax - current portion		<u>3,879</u>	\$ 2,939,676

#### SPECIAL REFUNDABLE TAX INCLUDING ACCRUED INTEREST LESS CURRENT PORTION

4,350

#### FIXED ASSETS (note 2)

Plant and equipment - at cost less accumulated depreciation		712,286	
Mining property - at value ascribed to 1,000,000 shares issued as consideration for the property with subsequent additions at cost		<u>615,722</u>	1,328,008

#### DEFERRED EXPENDITURE

Materials and supplies - at cost		160,517	
Deferred development, less portion written off		<u>5,475</u>	<u>165,992</u>
			<u>\$ 4,438,026</u>

### LIABILITIES

#### CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$	155,860	
Taxes payable		<u>3,830</u>	\$ 159,690

### SHAREHOLDERS' EQUITY

#### CAPITAL STOCK

Authorized -  
5,000,000 shares without par value

Issued and fully paid -  
4,300,000 shares

\$ 3,390,000

#### RETAINED EARNINGS

888,336

\$ 4,278,336

Approved on behalf of the Board  
per Peter White  
President  
J. J. Garbner  
Director

\$ 4,438,026



ATLANTIC COAST COPPER CORPORATION LIMITED

STATEMENT OF EARNINGS

FOR THE PERIOD JANUARY 1, 1969 TO MARCH 31, 1969

MINE OPERATIONS

Revenue -

Copper concentrate production	\$ 1,277,570	
Less: Marketing expenses	<u>104,745</u>	\$ 1,172,825

Operating expenses

Mining	227,817	
Milling	117,047	
Mine general expenses	61,541	
Administrative expenses	<u>13,110</u>	<u>419,515</u>

MINE OPERATING PROFIT BEFORE THE  
FOLLOWING CHARGES

753,310

Deduct:

Depreciation of fixed assets	60,686	
Deferred development - portion written off	5,475	
Provincial mining tax	<u>3,750</u>	<u>69,911</u>

NET PROFIT FOR THE PERIOD

\$ 683,399

STATEMENT OF RETAINED EARNINGS

FOR THE PERIOD ENDED MARCH 31, 1969

BALANCE - January 1, 1969

\$ 204,937

Add:

Net profit for the period

683,399

BALANCE - March 31, 1969

\$ 888,336

Approved on behalf of the Board  
per *Peter White*  
President  
*H. J. Harburt*  
Director



ATLANTIC COAST COPPER CORPORATION LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE PERIOD JANUARY 1, 1969 TO MARCH 31, 1969

SOURCE OF FUNDS

Net profit for the period		\$	683,399
Add: Charges not requiring cash outlay			
Depreciation of fixed assets	\$	60,686	
Deferred development - portion written off		<u>5,475</u>	<u>66,161</u>
			749,560
Proceeds of sale of fixed assets			25
Decrease in inventory of materials and supplies			<u>38,019</u>
INCREASE IN WORKING CAPITAL			787,604
WORKING CAPITAL - January 1, 1969			<u>1,992,382</u>
WORKING CAPITAL - March 31, 1969		\$	<u><u>2,779,986</u></u>

Approved on behalf of the Board  
per *Arin White*  
President  
*F. J. Garbner*  
Director



# ATLANTIC COAST COPPER CORPORATION LIMITED

## NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 1969

### 1. MINERAL CONCENTRATES AND SETTLEMENTS

Concentrates produced have been sold to an independent processor which also acts as the marketing agent of the company and consistent with the accounting policy of the company in prior years the net amount receivable from the sale of concentrates is based on the latest settlement prices in effect at March 31, 1969. The final determination of the amount receivable will depend on the market prices (on both the London and North American markets in part) in effect at the date of payment which normally is a date four months after the concentrates are shipped to the processor. Shipping times are dictated by the availability of ships and the vagaries of weather.

### 2. FIXED ASSETS

Plant and equipment and related accumulated depreciation are classified as follows:-

	Cost	Accumulated depreciation	Net
Furniture and fixtures	429	85	344
Buildings and machinery	2,041,249	1,476,511	564,738
Tools and equipment	<u>391,520</u>	<u>244,316</u>	<u>147,204</u>
	2,433,198	1,720,912	712,286

Consistent with the accounting policy of the company in prior years no depletion has been provided in respect of the company's mining property.

The amounts shown for plant and equipment and mining property represent costs to date less accumulated depreciation and are not intended to reflect the present or future value.

### 3. CONTRACTUAL COMMITMENT

The company has a contract to pay an annual minimum amount of \$212,500 for electrical power for the life of the mine up to 1971.

### 4. INCOME TAXES

Because of tax deductions permitted for tax purposes over the above those shown, it is estimated there is no liability for income taxes for the period.



16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	At the date hereof control of the Company is in O'Brien Gold Mines Limited (no personal liability). On completion of the transaction mentioned in item 1 hereof, control will be in Kent Line Limited. The only people having any ultimate beneficial interest in Kent Line Limited are K.C. Irving, his wife Harriet Irving, their sons James K. Irving, Arthur L. Irving and John E. Irving.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	NIL
18. Brief statement of any lawsuits pending or in process against company or its properties.	NONE
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	There are no material contracts entered into by the Company other than those incidental to the carrying on of the Company's undertaking.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	<p>1. As a result of the sale referred to in item 1 hereof, Kent Line Limited will control the Company.</p> <p>2. Apart from the above, there are no other material facts.</p> <p>3. No shares of the Company are in the course of primary distribution to the public.</p>

DATED May 13, 1969

**CERTIFICATE OF THE COMPANY**

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"P. White"

"R.W. Chisholm"

**CERTIFICATE OF UNDERWRITER OR OPTIONEE**

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)